

MINUTES

MONTANA SENATE 57th LEGISLATURE - REGULAR SESSION COMMITTEE ON BUSINESS AND LABOR

Call to Order: By **CHAIRMAN MIKE TAYLOR**, on January 26, 2001 at 8:00 A.M., in Room 422 Capitol.

ROLL CALL

Members Present:

Sen. Mike Taylor, Chairman (R)
Sen. Edward Butcher (R)
Sen. Vicki Cocchiarella (D)
Sen. Sam Kitzenberg (R)
Sen. Dale Mahlum (R)
Sen. Glenn Roush (D)
Sen. Don Ryan (D)

Members Excused: Sen. Mike Sprague, Vice Chairman (R)
Sen. Dale Berry (R)

Members Absent: None.

Staff Present: Bart Campbell, Legislative Branch
Kyanne Kelly, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: HB 56, 1/23/2001; HB 26,
1/23/2001; HB 34, 1/23/2001
Executive Action: HB 34; HB 26; HB 56

HEARING ON HB 56

Sponsor: REPRESENTATIVE BOB LAWSON, HD 80, WHITEFISH

Proponents: Gary Marks, City of Whitefish
Dave Sipe, City of Whitefish Fire Department
Bret Rijke, City of Whitefish Fire Department
Senator Bob DePratu, SD 40, Whitefish
Alec Hansen, League of Cities & Towns
Pat Clinch, MT Professional Fire Fighters
REPRESENTATIVE ROBERT STORY, HD 24, Park City

Opponents: **Roger McGlenn, Independent Insurance Agents**

Opening Statement by Sponsor:

{Tape : 1; Side : A; Approx. Time Counter : 1.3}

REPRESENTATIVE BOB LAWSON, HD 80, WHITEFISH, stated this bill would allow ambulance companies to sell insurance to the people who use the ambulance to cover the cost of what is not otherwise covered. This would be a voluntary membership.

Proponents' Testimony:

Gary Marks, City of Whitefish, said this has been used successfully in Oregon. He gave a hand out that clearly explained what the membership would be, and who could use it.

EXHIBIT (bus21a01)

Dave Sipe, City of Whitefish Fire Department, said this would help offset the rising costs for ambulance service.

Bret Rijke, City of Whitefish Fire Department, has had experience with this type of program. He declared it would help with training and supplies for the ambulance. He said it would also help people who need to call an ambulance because they don't have to worry about a bill.

Senator Bob DePratu, SD 40, Whitefish, said costs are accelerating and this program would help provide consistent good service in the face of rising costs.

Alec Hansen, League of Cities & Towns, pointed out that the decision on the part of customer to go along with this program is entirely optional.

Pat Clinch, MT Professional Fire Fighters, said this influx of money could help the city of Whitefish's ambulance service go to 24 hours/7days a week. This would also help other cities who have their own ambulance service.

Representative Robert Story, HD 24, Park City, said he supports the bill with qualification. He stated this bill excludes the small, volunteer ambulance services.

Opponents' Testimony:

Roger McGlenn, Independent Insurance Agents, opposed it on the grounds that it is an exemption to the regulations and protections under title 33 of the Montana Code.

Questions from Committee Members and Responses:

{Tape : 1; Side : B; Approx. Time Counter : 3.1}

SENATOR VICKI COCCHIARELLA asked if the cities who sell this insurance have any guarantee of financial backing.

Claudia Clifford, Insurance Commissioners Office, replied there is no requirement of coverage, but the backup would be the taxpayer.

Senator Edward Butcher was curious why the volunteer ambulance services weren't included in this bill.

REPRESENTATIVE LAWSON replied that his goal was to work specifically with the City of Whitefish, and he thought it would be more beneficial to make the bill specific, and not too general.

SENATOR COCCHIARELLA asked how far the coverage would go in terms of geographical area.

Gary Marks replied it would be within the City limits of Whitefish, and the area around it.

SENATOR DON RYAN asked if this bill was basically copying what has been successful in other communities.

Gary Marks said yes.

SENATOR COCCHIARELLA inquired if this would create a disadvantage to private ambulance services.

Senator Bob DuPratu replied this is designed for smaller communities where the private ambulance services would not be providing service due to low number of customers.

Closing by Sponsor:

REPRESENTATIVE BOB LAWSON, HD 80, WHITEFISH, in closing he urged the committee to vote "Do Concur".

HEARING ON HB 26

Sponsor: REPRESENTATIVE EDITH CLARK, HD 88, SWEETGRASS

Proponents: Sam Murfitt, Board of Horse Racing
Mike Ottman, Race Horse Owner
Buster Brown, Shelby Fair Board

Opponents: None

Opening Statement by Sponsor:

{Tape : 2; Side : B; Approx. Time Counter : 0.3}

REPRESENTATIVE EDITH CLARK, HD 88, SWEETGRASS, stated that all licenced race horse owners and trainers are required to have Workers' Comp coverage, regardless of whether they actually employ someone to do these listed duties. She further stated that this has created a negative impact on horse racing in the state of Montana. She noted that people this is meant to cover view themselves as self employed, and thus the Workers' Comp requirement to have coverage for employees is incorrect in this case.

Proponents' Testimony:

Sam Murfitt, Board of Horse Racing, said there has been an improper categorization of people who are in this business.

EXHIBIT (bus21a02)

Mike Ottman, Race Horse Owner, said he does not view the people who train his horses as employees. For example, the guy who trains his horse is training 22 other horses. He thinks of it as a service he pays for, not a person in his employ.

Buster Brown, Shelby Fair Board, said they would have horses from other states and from Canada run in their races if they didn't have to buy Workers' Comp when they came into Montana to race.

Opponents' Testimony: None

Questions from Committee Members and Responses:

SENATOR DON RYAN asked how much State Fund is collecting from these people state wide.

Nancy Butler said last year it was \$130,000. This year the requirement was set by the board at \$167,000, but if this bill passed it wouldn't be implemented.

SENATOR COCCHIARELLA asked how they planned on covering these workers if someone was injured.

Sam Murfitt replied liability insurance covers them.

Keith Mesmer, Department of Labor also replied that without Workers' Comp coverage the injured party does have the ability to sue the horse owner or someone else.

CHAIRMAN MIKE TAYLOR asked if this then makes it a personal responsibility.

Keith Mesmer, said yes.

CHAIRMAN TAYLOR asked how many FTE's administer this program.

Sam Murfitt said 3.78.

CHAIRMAN TAYLOR asked if that could be cut down by passing this bill.

Sam Murfitt said yes.

Closing by Sponsor:

{Tape : 2; Side : B; Approx. Time Counter : 2.6}

REPRESENTATIVE EDITH CLARK, HD 88, SWEETGRASS stated that this bill would bring fairness to the racing industry and it would bring clarity to the status of the four licensing categories.

HEARING ON HB 34

Sponsor: **REPRESENTATIVE DAVE GALLIK, HD 52, HELENA**

Proponents: **Cathy Muri, Department of Administration**

Opponents: **None**

Opening Statement by Sponsor:

{Tape : 2; Side : B; Approx. Time Counter : 4.8}

REPRESENTATIVE DAVE GALLIK, HD 52, HELENA, said this is a housekeeping procedure. It provides that the bond validating act be effective and extended until the effective date of the legislation. The only change is to strike the date of Feb 1999 and to add the date of the effective date of the legislation.

Proponents' Testimony:

Cathy Muri, Department of Administration, said this bill is brought to the legislature each year to obtain legislative confirmation of the validity of bonds. It validates bonds issued by the state and any other public body since Feb 12, 1999. It insures the bond holders, even if there is a technical difficulty in the issuance of the bonds.

Opponents' Testimony: None

Questions from Committee Members and Responses:

CHAIRMAN TAYLOR asked if this is tied into the Board of Investments.

Cathy Muri said yes.

Closing by Sponsor:

REPRESENTATIVE DAVE GALLIK, HD 52, HELENA, closed without comment.

EXECUTIVE ACTION ON HB 34

Motion/Vote: SEN. MAHLUM moved that HB 34 BE CONCURRED IN. Motion carried unanimously.

EXECUTIVE ACTION ON HB 26

Motion/Vote: SEN. BUTCHER moved that HB 26 BE CONCURRED IN. Motion carried unanimously.

EXECUTIVE ACTION ON HB 56

Motion/Vote: SEN. RYAN moved that HB 56 BE CONCURRED IN. Motion carried unanimously.

ADJOURNMENT

Adjournment: 9:55 A.M.

SEN. MIKE TAYLOR, Chairman

KYANNE KELLY, Secretary

MT/KK

EXHIBIT (bus21aad)